



Billing Code: 8025-01

## SMALL BUSINESS ADMINISTRATION

### Data Collection Available for Public Comments

**ACTION:** 60-day notice and request for comments.

**SUMMARY:** The Small Business Administration (SBA) intends to request approval, from the Office of Management and Budget (OMB) for the collection of information described below. The Paperwork Reduction Act (PRA) of 1995, requires federal agencies to publish a notice in the Federal Register concerning each proposed collection of information before submission to OMB, and to allow 60 days for public comment in response to the notice. This notice complies with that requirement.

**DATES:** Submit comments on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]

**ADDRESSES:** Send all comments to Susan Suckfiel, Supervisory Financial Analyst, Office of Capital Access, Small Business Administration, 409 3rd Street, 8th Floor, Washington, DC 20416.

**FOR FURTHER INFORMATION CONTACT:** Susan Suckfiel, Supervisory Financial Analyst, 202-205-6443, [susan.suckfiel@sba.gov](mailto:susan.suckfiel@sba.gov) or Curtis B. Rich, Management Analyst, 202-205-7030, [curtis.rich@sba.gov](mailto:curtis.rich@sba.gov);

### SUPPLEMENTARY INFORMATION

SBA Form 1050, Settlement Sheet is used in SBA's 7(a) Loan Program to collect information from lenders and borrowers regarding the disbursement of loan proceeds.

SBA relies on this information during the guaranty purchase review process as a component in determining whether to honor a loan guaranty. The currently approved

form primarily requires the lender and borrower to certify to whether they complied with a series of loan requirements. The current form also requires submission of documentation (e.g., joint payee or cancelled checks, invoices or paid receipts, and wire transfer records) in support of the certification. SBA has determined that this current information collection lacks enough specificity to yield the information regarding use of proceeds that would enable the agency to effectively monitor compliance with loan disbursement procedures. As a result, SBA is proposing to change both the content and format of the Form 1050.

The form will be divided into several sections to clearly identify the information to be submitted. The revised form will continue to collect the same basic identifying information such as loan amount, loan number and lender's name. In addition, the form will continue to require certifications from both the lender and borrower regarding compliance with the disbursement requirements and accuracy of information submitted. However, generally the enumerated statements will be reduced or combined and replaced with requests for specific information. the revised form will include a listing of all of the uses of loan proceeds. For each applicable use, information regarding the names of the payees, the amount disbursed, and the authorized amount remaining will be collected. The revised form will also include a section to document the borrower's equity injection of cash, assets, and any seller contribution (on full standby for the life of the loan).

These changes will allow the lender to more clearly document all of the sources and uses of funds at the time of loan closing. This additional information will better allow both lenders and SBA staff to ensure that the necessary information is collected at the time of loan origination (a) Solicitation of Public Comments:

SBA is requesting comments on (i) Whether the collection of information is necessary for the agency to properly perform its functions; (ii) whether the burden estimates are accurate; (iii) whether there are ways to minimize the burden, including through the use of automated techniques or other forms of information technology; and (iv) whether there are ways to enhance the quality, utility, and clarity of the information.

(b) Summary of Information Collection:

**Title:** Settlement Statement

**Form Numbers:** SBA Form 1050

**OMB Control Number:** 3245-0200

**Description of Respondents:** SBA Lenders and Borrowers

**Estimated Number of Respondents:** 28,224

**Frequency of Response per Respondent:** 1

**Total Estimated Annual Responses:** 28,224

**Total Estimated Annual Hour Burden:** 4,800

Curtis Rich,

Management Analyst.

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